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SUBJECT: ASSESSING THE "NEW" FATAH

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Classified By: CG Daniel Rubinstein for reason 1.4 (d).

- 11. (S) Summary and Comment. In the four months since Fatah (the historically dominant Palestinian national movement) held its long-delayed Sixth General Congress, it has made only limited progress on internal reform. Despite the initial boost he received from the Congress, Palestinian Authority (PA) President (and Fatah "Commander") Mahmud Abbas (Abu Mazen) has come to view the revitalized Fatah Central Committee (FCC) as more of a headache than an asset. He has chafed at the FCC's lack of support, and his decision to not seek re-election was meant in part to remind the Fatah leadership they need him more than he needs them.
- (S) Summary and Comment continued. Internally, loose alliances are emerging among Fatah's senior leadership. Fatah Central Committee (FCC) has assigned portfolios and taken incipient steps toward reform of key grassroots structures, but various crises hindered efforts to strengthen Fatah's organizational linkages to its 200,000-strong base in the Palestinian territories. Local leaders remain frustrated with the slow pace of reform. Tensions remain between the FCC and Prime Minister Salam Fayyad over Fatah's ambitions to regain control of its former patronage structure (the PA). So far, these frictions have remained in check. Concerns that Fatah leaders who lost out at the Sixth General Congress would pose a serious political threat have so far proven unwarranted. In spite of Fatah's damaged brand and limited progress since August, it remains the only Palestinian political movement capable of challenging Hamas in the foreseeable future. End Summary and Comment.

SHALLOWER-THAN-EXPECTED SUPPORT FOR ABU MAZEN

¶3. (C) The initial boost in Abu Mazen's popularity after the August 2009 Sixth General Congress in Bethlehem may have been more of a fleeting moment than a sustained trend. As far back as the Congress itself, some of Post's contacts speculated that Abu Mazen's decision to engineer his selection as "Commander" of Fatah by a show of hands rather than formal election suggested unease over the depth of his support. Since then, Abu Mazen's unpopular decision to attend the trilateral meeting with Israeli Prime Minister Netanyahu in New York, followed by his support for a deferral of a vote on the Goldstone report in October, triggered a strong backlash among Fatah's new leaders. By November, having spent months calling for negotiations on the basis of a settlement freeze including East Jerusalem (a position formally adopted by Fatah at the Sixth General Congress), he

had little margin to climb down when the ultimate shape of the GOI's moratorium on new residential settlement construction in West Bank settlements emerged. Abu Mazen's ultimate reaction was to administer a shock to his own system, in the form of his November 5 statement that he did not plan to seek re-election, to remind Fatah leaders they have no alternative to his leadership.

RISE OF THE FATAH CENTRAL COMMITTEE

- 14. (C) Another clear trend since August is the rising centrality of the 22-member FCC in Fatah's internal politics. The new FCC represents the most significant power centers and personalities of the movement, with their assorted alliances and rivalries. FCC members appear to be coalescing into camps based on shared interests, but members who are rivals on one issue might be allies on another, and loyalties often shift, making it difficult to map the internal FCC power structure. To a degree, succession politics has contributed to these loose alignments, as some members begin quietly considering who has the best chance of replacing Abu Mazen if he eventually chooses to step down.
- 15. (C) With these caveats, Post perceives four loose groupings in the FCC. The most clear distinction is between Muhammad Dahlan's camp (which includes Tawfiq Tirawi, Sakher Bsayso, and Naser al-Qidwa) and Jibril Rajub (who has the support of Hussayn al-Shaykh, Jamal Mhaysen, Muhammad al-Madani, Abbas Zaki, Uthman Abu Gharbiah, and Mahmud al-Alul. Sa'eb Erekat, Muhammad Shtayyah, Tayib Abd al-Rahim, and (to a lesser degree) Azzam al-Ahmad are seen as

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Abu Mazen loyalists. The remaining FCC members are either marginal figures (Nabil Sha'ath, Sultan Abu al-Aynayn, Zakaria al-Agha, and Salim Zanun) or figures marginalized by their circumstance (Marwan Barghuti, who, notwithstanding his high polling numbers and aura, remains politically weakened by imprisonment and his allies' poor showing in internal elections at the Sixth General Congress).

INDEPENDENT-MINDED FCC AT ODDS WITH ABU MAZEN

- 16. (C) Abu Mazen no longer controls the current FCC in the same way that he could its septuagenarian-dominated predecessor. One example of the new FCC's assertiveness came shortly after the Sixth General Congress, when FCC members collectively overrode Abu Mazen's objection and succeeded in placing Ahmad Quraya' (Abu Ala'a) onto the PLO Executive Committee. Then, in October, several FCC members publicly distanced themselves from Abu Mazen's Goldstone decision. Increasingly, Abu Mazen has adopted a strategy of avoidance, leaving day-to-day management of FCC meetings to its secretary general, Muhammad Ghnaym (Abu Maher). Abu Mazen told the Consul General in early December that internal FCC issues were "driving him crazy," and more recently said that key elements of his December 15 speech were aimed at these internal critics.
- ¶7. (C) Despite its growing assertiveness, FCC leaders are only marginally involved in Abu Mazen's decision-making process on negotiations. The FCC lacks any direct mechanism to block Abu Mazen's decisions, though it can undermine him politically by opposing his strategy. Inside the FCC, debates have raged over tactical issues (such as the terms for entering negotiations, or how to break PLO Senior Negotiator Sa'eb Erekat's near-monopoly on the negotiating process), but FCC members seem to accept that, for now, there is no strategic alternative to a negotiated two-state solution.

LIMITED PROGRESS ON INTERNAL REFORM

18. (C) With regard to internal reform, the FCC has made progress since the Sixth General Congress in assigning portfolios and passing internal budgets, and members described a greater degree of cohesion as a result of frequent FCC meetings. Naser al-Qidwa told Post that the FCC's success ultimately depends on two factors: its ability to reform Fatah as an institution, and its ability to develop a positive relationship with Abu Mazen. He gave the FCC low marks for its efforts since August, noting that the need to manage external crises (e.g., Goldstone, Abu Mazen's personal future) came at the expense of internal reform. Abu Mazen confidante Akram Haniyah echoed this assessment in a separate meeting, telling the Consul General that the FCC is under pressure from the Fatah base to "accomplish something."

GRASSROOTS ORGANIZATIONAL EFFORTS

- (C) Below the level of the FCC and the less-relevant Fatah Revolutionary Council (FRC) (Fatah's quasi-parliament), Fatah is divided into three regions -- the West Bank, Gaza, and the Diaspora -- each consisting of districts, branches, and, in areas with high membership, sub-branches. Each region is led by a committee, with an FCC member as its secretary general (Mahmud al-Alul over the West Bank, Sakher Bsayso over Gaza, and Jamal Mhaysen over the Diaspora). Almost half of Fatah's 200,000-strong membership inside the territories is registered in the districts and branches, making these structures the backbone of the movement. Fatah also maintains popular organizations, professional syndicates, and student organizations under a committee headed by Tawfiq Tirawi. At the grassroots level, Fatah has long been plagued by a weak sense of affiliation, heavy dependence on patronage to maintain existing membership and recruit new members, and intense competition from other parties to attract members away from Fatah.
- 110. (C) Since the Congress, the FCC has focused on improving communication with and control over Fatah's grassroots bodies. The appointment of highly-respected al-Alul to head the West Bank District Committees Office was a case in point. Al-Alul moved to establish channels of communication with the district committee secretaries, with whom he meets bi-weekly to brief them on Fatah's overall political goals and organization. In an early December meeting, Bethlehem District Committee members told us they remain frustrated by

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the slow pace of Fatah's reorganization, but credited al-Alul for "finally" reaching out to the district committees to initiate reorganization and prepare for future elections. Committee members said the FCC has told them to plan as if elections will occur in June 2010, though they acknowledged another delay is possible.

FRICTION WITH FAYYAD OVER CONTROL OF THE PA

111. (C) While tensions between Fatah and the PA are not new, individual members of the increasingly assertive FCC have made occasional ploys to reassert Fatah's authority over the PA, particularly in the areas of security and social welfare. To date, Abu Mazen has not supported these efforts, but tensions remain, and occasionally slip into the press. Exacerbating these tensions are Fatah's historic ties with the PA security forces, as well as the movement's shaky finances. Previously, Fatah was able to obtain funds by double-dipping from PA accounts, but now a USD 640,000 monthly stipend from Abu Mazen's office appears to be Fatah's only recurring source of funding. Money from Arab states has largely dried up, and Fatah's overseas assets (mainly real estate holdings) have proven difficult to monetize, as many are reportedly owned by individual Fatah members, such as former FCC member Faruq al-Qaddumi.

112. (C) While most loyalists were buoyed by the August Congress's success, some came away disenchanted with the political platform or disenfranchised by their loss in leadership elections. Rumors of irregularities in leadership elections fueled criticism from those — such as Qaddumi, Abu Ala'a, Nabil Amr, and several allies of Marwan Barghuti — who were left out. The "losers" initially attempted to discredit the results by playing up the strong showing of powerful former security chiefs and others who lacked grassroots popularity. However, initial concerns that this group would pose a serious political threat to Fatah or create alternative political movements has so far proven unwarranted.

DESPITE ITS WOES, FATAH REMAINS THE ONLY GAME IN TOWN

13. (S) Despite limited progress since the Congress, it is axiomatic among our contacts that Fatah remains the only near-term alternative to Hamas in Palestinian politics. Despite the toll of corruption and a stagnant peace process, our contacts believe that only Fatah has the national liberation credentials, breadth of appeal, and organizational structure to mobilize and win a Palestinian election for the foreseeable future. Pollsters and analysts tell us Fatah maintains a core base equivalent to roughly a third of the Palestinian electorate, with Hamas's base of support just below that figure. These same sources assert that "third way" candidates are unlikely to attract more than 20 percent of the electorate, as most "undecided" voters would ultimately vote for either Fatah or Hamas. (Notwithstanding his active retail politics, most analysts believe that Fayyad would capture no more than a share of this 20 percent, and the very act of creating a political organization could fatally undermine his relationship with Fatah.) Despite all its warts and imperfections, Fatah remains the only viable alternative to Hamas if Palestinian elections occur in the foreseeable future. MARCHESE